

**WAYNE TOWNSHIP  
CASS COUNTY, MICHIGAN  
RESOLUTION #R-23-01-02**

**A Resolution to Adopt Homestead Poverty Guidelines**

(Pursuant to Public Act 390 of 1994) Adopted by the Wayne Township Board  
on January 2, 2023.

**Adjusted to Federal Poverty Standards of 12-31-2022 for 2023 assessments.**

**WHEREAS**, the adoption of guidelines for poverty exemptions is within the purview of the Wayne Township Board; and

**WHEREAS**, the homestead of persons who, in the judgment of the Supervisor and the Board of Review, by reason of poverty, are unable to contribute to the public charges is eligible for exemption in whole or in part from taxation under Public Act 390, 1994 (MCL 211.7u); and

**WHEREAS**, pursuant to Public Act 390, 1994, Wayne Township, Cass County, adopts the following guidelines and application form for the Supervisor and Board of Review to implement. The guidelines shall include but not be limited to the specific income and asset levels of the claimant and all persons residing in the household, including any property tax credit returns, filed in the current or immediately preceding year:

**FILING REQUIREMENTS**

In order to file and qualify for the property tax poverty exemption, the claimant must do all of the following and meet each of the following requirements annually:

1. Own and occupy the homestead property for which the exemption is requested.
2. File a claim with the Supervisor or Board of Review after January 1<sup>st</sup> but before the day prior to the last day of the Board of Review on a form provided by the local assessing unit. (Note: The filing of this claim constitutes an appearance before the March Board of Review for the purpose of preserving the right to appeal to the Michigan Tax Tribunal.)
3. Provide federal and state income tax returns for all persons residing in the homestead including any property tax credit returns. These income tax returns may be those filed in the current year or in the immediate preceding year.
4. Produce a valid driver's license or other form of identification if requested by the Supervisor or Board of Review.
5. Produce a deed, land contract, or other evidence of ownership of the property for which an exemption is being requested if required by the Supervisor or Board of Review.
6. Meet the federal poverty income standards as defined and determined annually by the United States Office of Management and Budget which will be discussed later in this bulletin under the heading "Federal Poverty Income Standards."
7. Report divestment of assets on the required application form.
8. Meet the asset levels set by the Wayne Township Board of Review.
9. Meet any other tests that may be set by the Wayne Township Board.

## INCOME STANDARDS

The following are current poverty threshold Income Standards provided by the United States Office of Management and Budget and issued to Michigan assessors by the Michigan State Tax Commission in Bulletin No. 5 of 1995.

1. In order to meet the requirement of the Income Standards the claimants annual gross household income cannot exceed the amounts stated below.
2. Qualification under these income standards provided the claimant is qualified in all other respects, indicates that the claimant shall reasonably be expected to pay annual property taxes, exclusive of Michigan Homestead Property Tax.

### 2022 Poverty Guidelines

Number of Persons Residing in Household	Poverty Threshold Maximum Household Income
1 person	\$13,590.00
2 persons	\$18,310.00
3 persons	\$23,030.00
4 persons	\$27,750.00
5 persons	\$32,470.00
6 persons	\$37,190.00
7 persons	\$41,910.00
8 persons	\$46,630.00
For each additional person, add:	\$ 4,720.00

### Ordinary income includes the following:

1. Money wages and salaries before any deductions.
2. Net receipts from non-farm self-employment. These are receipts from a person's own business, professional enterprise, or partnership, after deductions for business expenses.
3. Net receipts from farm self-employment. These are receipts from a farm which one operates as an owner, renter, or share cropper, after deductions for farm operating expenses.
4. Regular payments from Social Security, Railroad Retirement, unemployment compensation, strike benefits from union funds, worker's compensation, veteran's payments, public assistance.
5. Alimony, child support, and military family allotments or other regular support from an absent family member for someone not living in the household.
6. Private pensions, government employee pensions (including military retirement pay), and regular insurance or annuity payments.
7. College or university scholarships, grants, fellowships, and assistant ships.
8. Dividends, interest, net rental income, net royalties, periodic receipts from estates or trusts, and net gambling or lottery winnings.



**Ordinary income does not include the following, except as provided in number 6 above:**

1. Money received from the sale of property, such as stocks, bonds, a house, or a car, unless the claimant is in the business of selling such property.
2. Withdrawals of bank deposits and borrowed money.
3. Income tax refunds and one-time insurance payments.
4. Food or housing received in lieu of wages and the value of food and fuel produced and consumed on farms.
5. Federal non-cash benefit programs such as Medicare, Medicaid, food stamps and school lunches.
6. Gifts and lump-sum inheritances are not considered as ordinary income; however, dividends, interest, rental proceeds, royalties, inheritances, and other similar receipts received on a period basis, which may be in the form of a gift or other form, including receipts resulting from divestment of assets, and which may have the appearance of income, shall be considered as unearned income and shall be included in the determination of income eligibility.

**ASSET STANDARDS**

**Asset Eligibility Limitations**

In order to meet the requirements for assets, the total current fair market value of the claimant's household assets cannot exceed \$4,500.00.

**Definition of Assets (Non-Inclusive)**

Assets include, but are not limited to the cash value of savings accounts and shares, certificates of deposit, investments such as stocks, bonds, mutual funds, deferred compensation accounts, equity in real estate other than the homestead for which the exemption is claimed, motor vehicles other than one primary transportation vehicle, jewelry, coins and other collectibles, precious metals, and other similar possessions which are not essential to the subsistence or health and well-being of the claimant. Gifts, lump-sum inheritances, dividends, interest, rental proceeds, royalties, and other receipts received in the form of a gift, or as a result of asset divestment, shall be considered an asset if received on a one-time lump-sum basis and shall be included in the determination of asset eligibility.

**Divestment of Assets**

Divestment means a transfer of a resource. Transfer of a resource means giving up all or partial ownership in (or rights to) a resource. Examples include, but are not limited to, selling an asset, giving an asset away, refusing an inheritance, giving up the right to receive income, and other similar divestment actions.

If an application for property tax exemption has divested any assets during the period of 36 months preceding the date of the application, then such divestment shall be considered in the determination of eligibility.

## **ADDITIONAL STANDARDS**

### **Michigan Homestead Property Tax Credit**

In calculating the applicant's property tax liability and possible reduction thereof, any refunds received or due to be received from a Michigan Homestead Property Tax Credit Claim (MI-1040CR) shall be reported by the applicant and taken into account in regard to the granting of any property tax exemption.

### **Partial Poverty Exemption**

Act No 390 of Public Acts of 1994 authorizes partial poverty exemptions. A partial poverty exemption is an exemption of only part of the taxable value of the property for which an exemption is claimed, rather than the entire taxable value.

### **Appeal**

A property owner may appeal the March Board of Review's decision on a poverty exemption claim to the Michigan Tax Tribunal by June 30. An appeal of a July or December Board of Review poverty exemption decision may be made to the Michigan Tax Tribunal within 30 days of the decision. Appeals are to be made in writing to Michigan Tax Tribunal, P.O. Box 30232, Lansing, MI 48909.

### **Additional Items to be Included in This Resolution:**

1. **Policy and Application for Exemption from Property Taxes**
2. **Policy and Procedure Under Which the Assessor's Office is Accessible to Taxpayers**
3. **Supervising of the Assessment Roll Policy**
4. **Application for MCL 211.78u Poverty Exemption**
5. **Poverty Exemption Affidavit**
6. **Affirmation of Ownership and Occupancy to Remain Exempt by Reason of Poverty**
7. **Request For Approval of Percentage Reduction in Taxable Value For Poverty Exemptions Under MCL 211.7u**
8. **Authorization For Verification**
9. **Allowing Local Residents to Protest in Writing**

**NOW THEREFORE, BE IT RESOLVED**, that the Board of Review shall follow the above stated policy and federal guidelines in granting or denying an exemption, unless the Board of Review determines there are substantial and compelling reasons why there should be a deviation from the policy and federal guidelines and these are communicated in writing to the claimant.

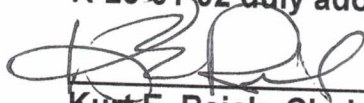


The foregoing resolution offered by Board Member Frank L. Butts.  
Second offered by Board Member Judith Anne Fusko.  
Upon roll call vote, the following voted:

Aye: Frank L. Butts  
Kurt E. Reich  
Judith Anne Fusko  
Frank H. Maley  
James K. Griggs

Nay: none

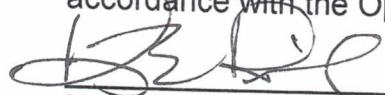
Upon the result of the Roll Call Vote, the Supervisor declared Resolution  
R-23-01-02 duly adopted.

  
Kurt E. Reich, Clerk  
Wayne Township


January 2, 2023  
Date

### CERTIFICATE

The undersigned duly elected Clerk of Wayne Township, hereby certifies that the foregoing is a true copy of a Resolution adopted by the Wayne Township Board at a public meeting held on January 2, 2023 at which meeting a quorum was present; that the members of said Board voted upon the aforesaid Resolution as shown; and that said meeting was conducted in accordance with the Open Meetings Act of the State of Michigan.

  
Kurt E. Reich, Clerk  
Wayne Township

January 2, 2023  
Date

Attest:   
Frank L. Butts, DVM  
Township Supervisor

January 2, 2023  
Date